

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

MARIO LOREDO

Station KZQD(FM)
Liberal, Kansas

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) MM Docket No. 96-172
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To: The Honorable Richard L. Sippel
Administrative Law Judge

**DIRECT CASE EXHIBITS OF
MARIO LOREDO**

Federal Communications Commission	
Docket No. <u>96-172</u>	Exhibit No. <u>Loredo 1</u>
Presented by <u>Loredo</u>	
Disposition	Identified <u>X</u>
	Received <u>X</u>
	Rejected _____
Reporter <u>Ray Freson</u>	
Date <u>11/14/96</u>	

Gerald Stevens-Kittner
Jodi Krame

Arter & Hadden
1801 K Street, N.W., Suite 400K
Washington, DC 20006
202-775-7100

November 1, 1996

Loredo #1 (D)

EXHIBIT ONE
STATEMENT OF MARIO LOREDO

1. I was born on April 17, 1950, and have lived in the United States since I was nine years old. My mother is a U.S. citizen, but I was born in Mexico. I became a legal resident in the early 1970s, and have lived and worked in the United States ever since. I have four adult children, ranging in age from 27 to 18, all of whom are U.S. citizens.

2. I have been an ordained minister for the past 10 years, and plan to transmit Hispanic religious-oriented programming over FM radio station KZQD to the sizable Hispanic population who reside in the Liberal, Kansas community.

3. In the summer of 1993, I negotiated the purchase of the construction permit for KZQD for \$4,000.00 with Pastor David Brace of Alpha Broadcasting, Inc., who was represented by Gerald Stevens-Kittner of Arter & Hadden. Subsequently, I also engaged Gerald Stevens-Kittner of Arter & Hadden to help me with the acquisition of KZQD. After I negotiated the purchase, and signed a contract, I received a letter dated August 3, 1993, from Mr. Stevens-Kittner and a draft of a completed application on FCC Form 314 for FCC consent to the assignment of the permit for station KZQD from Alpha Broadcasting, Inc. to me (the "Form 314"). The letter asked me to review the application carefully, paying particular attention to the Assignee's portion. If no changes were required, I was to sign and return the application to Mr. Stevens-Kittner. I do not recall receiving the instructions to Form 314 with the draft application and the letter. I also do not recall discussing the individual questions or the answers with Mr. Stevens-Kittner.

4. In reading the draft application I was presented with back in August, 1993, I see that Item 4(b) of Section II (Assignee's Legal Qualifications) of the Form 314, which asks for the applicant's citizenship, was answered "USA." I also see that Item 13(a) of Section II of the Form 314, which asks "Is the applicant in violation of the provisions of Section 310 of the Communications Act of 1934, as amended, related to the interests of aliens and foreign governments? (See Instruction C to Section II), " was answered "No." My recollection is that upon reviewing Form 314 at the time, it was not clear to me that Items 4(b) and 13(a) were making a distinction between citizenship and legal residency. I was used to completing employment and other government-related forms that asked both whether I was a U.S. citizen and/or a legal resident. Even though I speak and read English reasonably well as a second language, I was confused by the questions and my incorrect responses were rendered innocently and inadvertently. I did not intend to misrepresent my citizenship on Form 314.

5. I was not aware that the application I signed contained incorrect responses until some time just prior to the May 1995 filing of FCC Form 307 for an extension of time to construct KZQD. Shortly before then, I had a conversation with a friend who was buying a radio station in Texas. During that conversation, the friend happened to mention that an individual must be a U.S. citizen to own a radio station. This prompted me to review the Form 314, and to call Mr. Stevens-Kittner to point out that I may have inadvertently answered Items 4(b) and 13(a) incorrectly. I then instructed Mr. Stevens-Kittner to bring this error to the Commission's attention, and to inform the Commission that I would immediately begin seeking U.S. citizenship. These instructions precipitated the disclosure in the May 4, 1995, filing of Form 307 that I had made an error in my answer to Item 4(b) of Form 314. In the application on Form 307, I

responded "No" to Item 8, which asked "Are the representations contained in the application for construction permit still true and correct?" and included, as Exhibit 2, a disclosure that I had realized that my answer to Item 4(b) of the aforementioned FCC Form 314 was incorrect in that I was not a U.S. citizen, and that I was applying to become a U.S. citizen.

6. Thereafter, I filed, through my FCC counsel, an application on FCC Form 301 to make minor modifications to KZQD, which was accompanied by a transmittal letter from counsel providing a legal basis for the Commission to waive the citizenship requirement for a radio station permittee in light of my particular circumstances.

7. On October 6, 1995, a letter was filed with the Commission as an amendment to the pending application for an extension of the KZQD construction permit, which reported that I was to be sworn in as a U.S. citizen on December 18, 1995.

8. Finally, a letter dated February 23, 1996, was filed with the Commission as a further amendment to the pending application for an extension of the KZQD construction permit, which attached a Certificate of Naturalization dated December 18, 1995, certifying my new status as a citizen of the United States.

DECLARATION

I, Mario Lored, do hereby declare under penalty of perjury that the foregoing "Statement of Mario Lored" is true and correct to the best of my knowledge and belief.

Date: Oct 31, 1996

Mario Lored
Mario Lored

64859.1D

Federal Communications Commission

Docket No. 96-172 Exhibit No. Loredo #2

Presented by Loredo

Disposition { Identified X
Received X
Rejected _____

Reporter Ray Freson

Date 11/14/96

EXHIBIT TWO
STATEMENT OF GERALD STEVENS-KITTNER

1. I am currently of counsel to the law firm of Arter & Hadden. At the time the events described below occurred, I was a partner with the firm of Arter & Hadden.

2. I represented Alpha Broadcasting, Inc. ("Alpha") as their FCC counsel in connection with their becoming the permittee of FM radio station KZQD, Liberal, Kansas. In the summer of 1993, Pastor David Brace, an officer of Alpha, informed me that he had negotiated the sale of the permit for station KZQD to Mr. Mario Loredo and asked me to prepare the necessary documents to obtain FCC approval. Pastor Brace told me that Mr. Loredo was not represented by counsel, but that Mr. Loredo had indicated he would not have any concerns with me preparing the necessary FCC paperwork, since there was only a relatively small amount of money at stake, and the transaction was straightforward.

3. Mario Loredo and Arter & Hadden entered into an engagement letter dated June 17, 1993, and I proceeded to prepare the FCC assignment application. I prepared both the Assignor's and the Assignee's portions of the FCC Form 314 based on the information I had available to me. I assumed that Mr. Loredo was a U.S. citizen and completed the form that way.

4. I wrote a letter dated August 3, 1993, to Mr. Loredo and enclosed a draft assignment application on FCC Form 314. The letter instructed Mr. Loredo to review the application carefully, paying particular attention to the Assignee's portion. If no changes were required, Mr. Loredo was to sign and return the application to me. The instructions to Form 314 were not sent to Mr. Loredo. I do not recall discussing the individual questions or the answers on Form 314 with Mr. Loredo.

Loredo #2

5. Similarly, I wrote a letter dated August 4, 1993, to Pastor Brace, to the effect that if the enclosed Form 314 was in order, to have the president of Alpha sign it and return it to me. I do not recall discussing the individual questions or the answers with Pastor Brace.

6. I received the Form 314 back from both Alpha and Mr. Loreda. Both had signed the form without requesting any changes. I then filed the Form 314 with the Commission.

DECLARATION

I, Gerald Stevens-Kittner, do hereby declare under penalty of perjury that the foregoing "Statement of Gerald Stevens-Kittner" is true and correct to the best of my knowledge and belief.

Date: November 1, 1996

Gerald Stevens-Kittner
Gerald Stevens-Kittner